U. S. LLOYDS POLICYHOLDER MAY SUE EACH SUBSCRIBER SEPARATELY.

The following decision by the New York State Court of Appeals that a United States Lloyds policyholder may sue each subscriber separately irrespective of any decision in a similar case under the same policy against another subscriber is of distinct interest. The case in question was that of J. Albert Fish, respondent vs. Frank A. Vanderlip, appellant, and was upon a United States Lloyds policy of insurance against one of the individual underwriters or subscribers to recover his separate part of the whole insurance. The answer alleged as a bar to the action that a former suit on the same policy for the same loss was brought against another subscriber, and that judgment on the merits was rendered therein against the plaintiff; that the defendant in the present action, together with his co-subscribers, had, with the knowledge of this plaintiff, joined in defending that action and contributed to the expense thereof. The policy provided for a separate liability on the part of the one hundred subscribers, and it expressly negatived any assumption of a joint liability.

Upon demurrer to the defense of res adjudicata it was held that, in view of the form of the contract of insurance, wholly separating the rights and obligations of each insurer from that of his associates, and it not appearing that the defendant in the present action had any right to control the former suit or to appeal from the judgment therein, the demurrer should be sustained.

In the opinion, which was written by Chief Justice Willard Bartlett, the court says:

"In the case at bar, notwithstanding all the matters set up in the fifth separate defense showing a unity of interest between the underwriters as among themselves, one fact stands out with marked prominence and emphasis. The contract of insurance is so drawn as wholly to separate the rights and obligations of each insurer from the rights and obligations of every one of his associates. This must have been done with a purpose. In determining the status of the plaintiff and defendant, the policy is to be construed as if they alone were parties thereto. Otherwise no effect would be given to the declaration therein contained that the assurers bind themselves severally and not jointly, nor any one for the other * * * each one for his own part of the whole amount herein insured only. The several character of the contract being so explicit, we cannot change it into a joint undertaking on the part of the insurers and we would virtually do this if we held that the judgment in the Municipal Court suit constituted an estoppel.

"In the brief for the appellant we are told in italics: 'It would be abhorrent and a reproach to the law that upon the same written instrument and under the same state of facts one of the parties to a contract should be held liable and another, in the same right, held not liable.' This possibility, however, if it exists, would seem to be entirely due to the appellant and his associates who drew their policy in such a form as to compel the assured to bring a hundred different suits to recover the insurance upon his yacht, if they saw fit for any reason to refuse payment."

HEALTH INSURANCE BUSINESS UNSATISFACTORY.

An epidemic of sickness claims for the first three months of 1916 throughout Canada has produced very unsatisfactory results to the companies transacting this business. The general manager of an institution doing the largest business in Canada in this department informs us that his Company has had 450 claims in excess of the same period for 1915. The cause assigned is the unusually trying character of the winter just past.